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Ideas are cheap, it's a coach that business really needs

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Abstract

"We want to be innovative" is a catch cry of most Australian organisations. Little wonder. Australian companies are among the least proficient innovators in the OECD and seem to fail at creating the conditions needed for innovation to flourish.

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Ideas are cheap, it's a coach that business really needs

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Leaders need help to create the right conditions for
innovation. Benzilla/Flickr

"We want to be innovative" is a catch cry of most Australian organisations.

Little wonder. Australian companies are among the least proficient innovators in the OECD
and seem to fail at creating the conditions needed for innovation to flourish.

Peter Drucker's famed comment, "Innovate or die" applies today as it ever did. The forecasted
end (or slowing) of the resource boom coupled with comparatively high labour costs means
Australian firms have to find new ways of competing.

To be clear, the term innovation refers not to a random moment of Eureka! insight. Rather, it
refers to a constructive process where idea generation (creative thought), experimentation and
trial-and-error learning are combined in a search for products or services that provide a
competitive advantage. It is a highly complex, multifaceted process that draws on individual
and collective inputs. It is, therefore, an innately social process and the "people factor" must
be handled well if innovation is to result.

There are many reasons why innovation fails. According to innovation researchers, 64% of
leaders fail to back innovation projects (due to risk aversion), 40% of projects fall over due to
turf wars, and 35% of the time it is due to poor project implementation. Interestingly, a lack of
ideas is not a common reason for innovation failure. So, if Australian businesses aren't short

on ideas, what's stopping us?

From the top down

An obvious place to look is leadership. Given business leaders have the job of positioning organisations for success in a rapidly changing, competitive environment, innovation must be considered a core leadership or management responsibility. But the innovation process demands a lot of leaders. For instance, as it is intimately bound up with the strategy of an organisation, leaders need to be comfortable with ambiguity and uncertainty. They must be capable of embracing fresh thinking (often not their own) and the risk that comes with it, whilst steadfastly maintaining a customer focus. They must also be able to actively and systematically manage the process – from ideation to output – within an environment (culture) that values and supports such transformation and change.

The more you think about it, the more you realise the challenge is not about leaders being the wellspring of innovation themselves, but rather being the facilitator of conditions that enable innovation to occur. In essence this is a social challenge, and so the question becomes “how can leaders be assisted to provide the social supports needed for innovation?”

Business coaching is one viable option.

Business coaching is a structured form of collaboration designed to help business leaders and employees accomplish company or performance objectives. Whilst it can be used with individuals and/or teams, coaching seeks to surface human potential, including the latent creativity of individuals that is often stifled by work stress.

Recent postgraduate research conducted at Sydney Business School found business coaching plays a key role in innovation. In this study, survey respondents from 44 organisations reported that coaching not only supports the generation of learning and knowledge (that fuels current innovation), but also strongly contributes to the perception that a culture of innovation exists (that perpetuates future innovation). Findings like these suggest business coaching has an important role to play in innovation management. Whilst it could do this in several ways, two possibilities stand out.

Start with the individual, win the team

First, the collaborative nature of coaching is likely to enhance interpersonal trust and promote expansive thought and action within organisations. Studies of human emotion consistently show that fearful people think in a constrained way, with little creativity. The reverse is true of those who feel more secure and experience a range of positive emotions. As innovation relies on novel, “out of the box” thinking, a core task for business leaders would seem to be the creation of high trust, positive interpersonal climates that support novel thinking and encourage the sharing of unusual ideas.

Second, business coaching can help leaders understand the mechanics of team leadership and how to develop high functioning teams. The Australian Institute of Management and the University of Melbourne recently reported that leaders working in the top 25 percentile of innovative Australian organisations dedicate considerably more time to communicating with, and developing, their employees. Such managerial skills can be easily developed with education and training, and coaching can providing support to embed changes in behaviour.

Business coaching can also be supplemented by innovation training and mentoring to teach the core skills of creativity to anyone. However, as has already been pointed out, innovation is not about creativity per se, nor is ideation a major barrier to innovation success.

Learning to create processes that allow innovation to occur systemically and consistently over time requires concentrated support. In the same way that athletes enhance their performance

through the assistance of a coach, a business leader also has the option of turning to the skills and experience of a business coach when seeking to address the issue of innovation performance.

_Sydney Business School at University of Wollongong is hosting the Australian Business Coaching Conference in Circular Quay, Sydney on Friday November 15, 2013.